

TENNESSEE GENERAL ASSEMBLY  
FISCAL REVIEW COMMITTEE



**FISCAL MEMORANDUM**

**HB 2875 – SB 3586**

May 18, 2010

**SUMMARY OF AMENDMENTS (014768, 017964, 018758):** Deletes all language of the original bill. Deletes existing definitions associated with automobile clubs and associations. Authorizes the Commissioner of the Department of Commerce and Insurance to grant certificates of authorization to automobile clubs and associations and promulgate rules and regulations. Requires automobile clubs and associations to file annually with the Commissioner, an application for a certificate of authority to continue operation in the state. Requires all applicants to pay a \$20 fee to the Commissioner. Amendment 018758 prohibits any local government from placing or operating a traffic enforcement camera on a highway that is maintained using state funds unless the contract with the private vendor provides only payment for services rendered, and no payment is based on the percentage or number of traffic citations generated by the camera. Prohibits traffic citations generated by traffic enforcement cameras from being reported to the Department of Safety or being used by any insurance provider or credit agency. Defines a violation as a non-moving violation, subject only to a fine not exceed \$50 plus court costs if the person cited chooses to contest the citation.

**FISCAL IMPACT OF ORIGINAL BILL:**

Increase State Expenditures – Not Significant

**FISCAL IMPACT OF BILL WITH PROPOSED AMENDMENTS:**

**Increase State Revenue – Not Significant**

**Increase State Expenditures – Not Significant**

**Decrease Local Revenue – Exceeds \$100,000**

**Increase Local Expenditures – Not Significant/Permissive**

Assumptions applied to amendments:

- Any increase to state revenue as a result of an increase in applications fees will be not significant.
- The Department of Commerce and Insurance already regulates the automobile club industry. Any increase to state expenditures will be not significant.
- Based on a limited survey, at least three cities currently charge additional costs for violations. Local revenue is estimated to decrease in an amount exceeding \$100,000.

- Any increase to local expenditures to renegotiate a contract with the traffic enforcement camera vendor will be not significant.

**CERTIFICATION:**

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink, reading "James W. White". The signature is fluid and cursive, with the first name "James" and last name "White" clearly legible, and "W." in the middle.

James W. White, Executive Director

/jaw